

Information on Washington's Tax Structure

Aircraft Taxes



More and more people are discovering the enjoyment and the feeling of freedom that come with owning and learning to pilot an airplane or other aircraft. Along with the thrill of flying through the air and the convenience of speedy transportation, owning and flying an aircraft carries with it certain responsibilities. This publication is designed to help you comply with the legal requirements imposed upon aircraft owners and pilots by the state of Washington.

This publication provides general information about registration and taxes for aircraft. It is current at the time of publication, but future changes may invalidate some of the information. The publication does not cover every aspect and is intended for general informational purposes only; it does not alter or supersede any administrative regulations or rulings issued by the Department of Revenue.

SALES AND USE TAX

Most Washington residents are familiar with the sales tax which applies to retail sales in this state, but few are familiar with the use tax. Use tax is a tax on the use of goods in Washington when sales tax has not been paid. It is calculated at the same rate as the sales tax. The intent is that articles purchased at retail for use in this state are subject to either the sales or the use tax, but not both.

As a general rule, sales or use tax is due on aircraft unless there is a specific exemption. Sales tax is due on the selling price; use tax is due on the value of the aircraft at the time of first use in Washington. If you traded in an aircraft when you purchased

your present aircraft, the amount subject to sales or use tax is reduced by the value of the trade-in. If you have already paid sales or use tax in another state, you are entitled to a credit for that amount against Washington's use tax.

If your aircraft is home-built, use tax is due on the value of the materials used to build it. You may receive credit against the use tax for any sales tax you paid on the materials.

Sales Or Use Tax Is Due On (nonexclusive list):

- ☐ Aircraft purchased or used for personal use.
- ☐ Aircraft purchased or used for charter scenic tours or other guided excursions.
- ☐ Aircraft purchased or used for any business purpose, other than interstate or foreign transportation for hire (see below).



- ☐ Aircraft purchased or used to give flying lessons.

Sales Or Use Tax Is Not Due On:

- ☐ Aircraft acquired by gift if the donor has previously paid sales or use tax on the aircraft.

- ☐ Aircraft brought into this state by nonresidents for their use or enjoyment while temporarily within this state. Temporarily means no longer than 90 days in any continuous 12 month period.
- ☐ Aircraft purchased or used primarily (more than 50% of the time) for **interstate or foreign** commerce by transporting persons or property for hire. Aircraft used primarily for **intrastate** (within the state) transportation are taxable.
- ☐ Aircraft purchased **exclusively** for the purpose of renting or leasing on a bare-rental basis, i.e. without a pilot. In this case, the lessor must collect retail sales tax on the lease payments from the lessee. (If the aircraft is leased or rented with a pilot, or if the aircraft is used for any other purpose, such as personal use, the lessor owes tax on the aircraft's full value.)

PAYMENT OF TAX

If you bought your aircraft from a Washington dealer, you should have paid sales tax at the time of the purchase.

However, if you bought your aircraft in another state or from a private party, you probably did not pay sales tax. In this case, you are liable for use tax unless one of the above exemptions apply.

You may pay the tax by completing a Use Tax Return, available on the Department of Revenue's web site at <http://dor.wa.gov/forms/pdf/322487e.pdf> or by visiting any of Revenue's field offices listed in this fact sheet. You may also call to have the return sent to you directly.

AIRCRAFT AND PILOT REGISTRATION

Federal Registration

Every pilot operating an aircraft in this state must have the appropriate certificate, permit, license, or rating issued by the Federal Aviation Administra-

tion (FAA). In addition, all aircraft must have the appropriate certificate, permit, or license and a current registration certificate issued by the FAA in order to be operated in this state.

State Registration

The Aviation Division of the Department of Transportation (DOT) administers the state pilot and aircraft registration program, as well as the aircraft excise tax. Other than the exceptions listed below, every pilot who is a resident of this state, and every nonresident pilot who regularly operates an aircraft in this state must register with DOT. The registration fee is \$8 and is renewed every year on the pilot's birth date.

Similarly, every aircraft must be registered with DOT, other than the exceptions listed below. The aircraft excise tax is due every year during the month of January, along with an \$8 registration fee. Possession of the appropriate federal certificate, permit, rating, or license, payment of the aircraft excise tax, and payment of the registration fee are the only requirements for registration of an aircraft with the state.

No Registration Required

Pilot and/or aircraft registration is not required when:

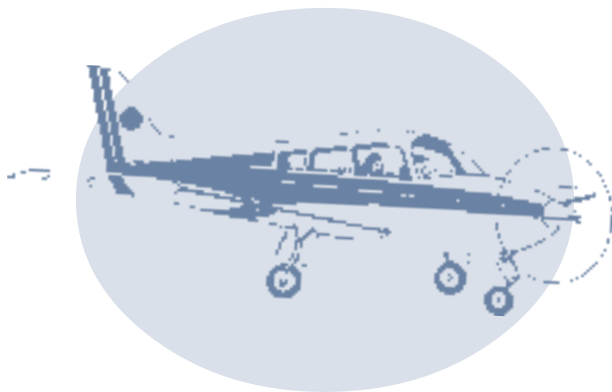
- ☐ The pilot or aircraft operates or is operated exclusively in the service of the state or federal government.
- ☐ The pilot or aircraft is registered under the laws of a foreign country.
- ☐ The pilot is engaged exclusively or the aircraft is engaged primarily in commercial flying constituting interstate or foreign commerce.
- ☐ An aircraft is owned by a nonresident and registered in another state, provided that the aircraft remains in this state no longer than 90 days in any continuous 12 month period.

- ☐ An aircraft is owned by a commercial manufacturer and operated for test or crew training purposes.
- ☐ An aircraft is being held for sale, exchange, delivery, test, or demonstration purposes solely as stock in trade of an aircraft dealer.

AIRCRAFT EXCISE TAX

Aircraft which are not required to be registered with DOT are exempt from the aircraft excise tax. All other aircraft are subject to the tax. The amount of tax applicable to the various types of aircraft are as follows:

Single engine fixed wing	\$ 50
Small multi-engine fixed wing	\$ 65
Large multi-engine fixed wing	\$ 80
Turboprop multi-engine fixed wing	\$100
Turbojet multi-engine fixed wing	\$125
Helicopter	\$ 75
Sailplane	\$ 20
Lighter than air	\$ 20
Home-built	\$ 20



Application for registration of pilots and aircraft, and payment of the aircraft excise tax

are made directly to the Aviation Division of the Department of Transportation.

PERSONAL PROPERTY TAX

As a general rule, aircraft that are exempt from the aircraft excise tax are subject to the personal property tax.

These aircraft are listed and assessed by the Department of Revenue and the tax is collected by county treasurers.

FOR MORE INFORMATION

If you have general questions about aircraft taxes, or the sales or use taxes, please contact your local Department of Revenue field office or the Telephone Information Center at (360) 786-6100 or 1-800-647-7706. You may also write to:

Taxpayer Information and Education
Washington State Department of Revenue
Post Office Box 47478
Olympia, Washington 98504-7478
FAX (360) 664-0456
<http://dor.wa.gov>

To list your aircraft, or if you have questions about personal property tax please call the Department of Revenue's Property Tax Division at (360) 570-5874 or write to:

Washington State Department of Revenue
Property Tax Division
Post Office Box 47471
Olympia, Washington 98504-7471

If you have questions about registration or the aircraft excise tax, call the Aviation Division of the Department of Transportation at (206) 764-4131 or 1-800-552-0666.

You may also write to:

Washington State
Department of Transportation
Aviation Division
8900 East Marginal Way South
Seattle, Washington 98108
<http://www.wsdot.wa.gov/aviation/>

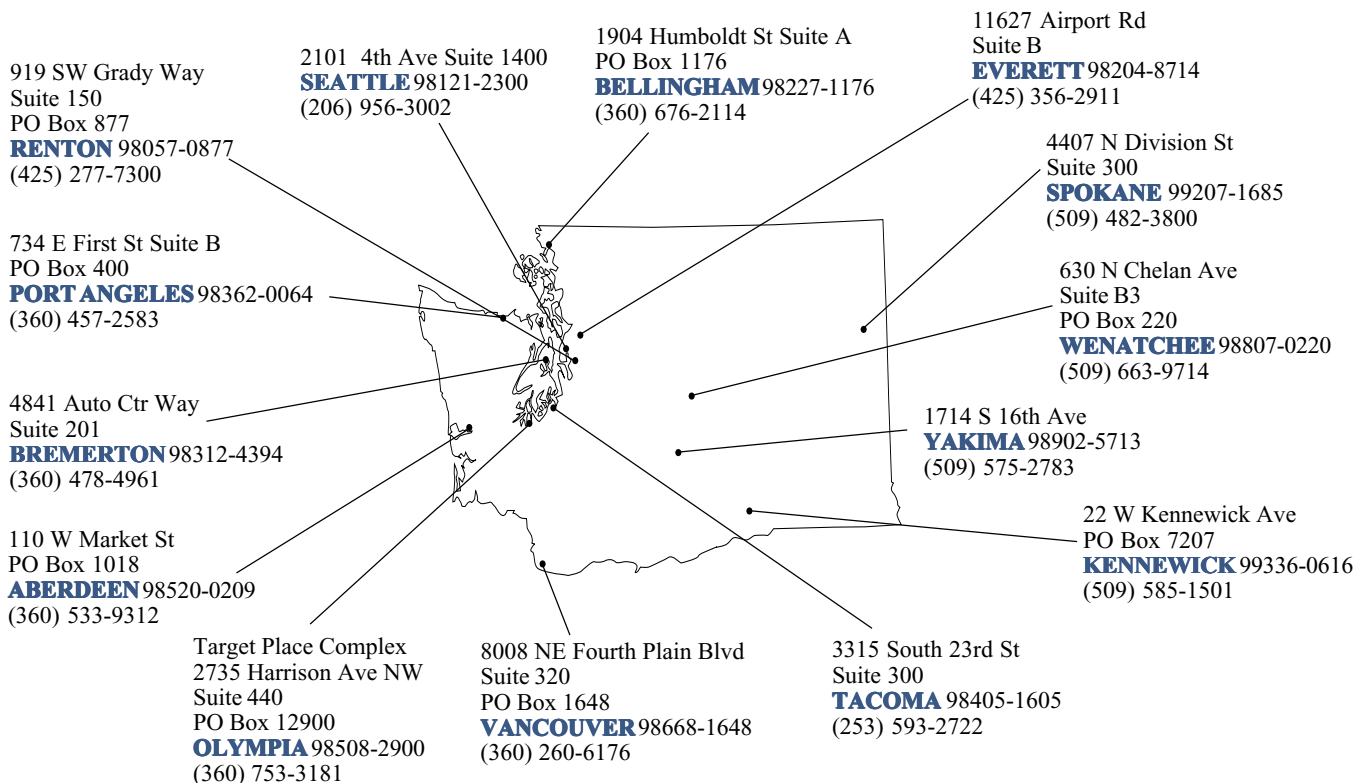
If you have any questions about FAA registration,
please call the Seattle Flight Standards District
Office at 1-800-354-1940 or (425) 227-2813 or
write to:

Seattle Flight Standards District Office
Suite 260
1601 Lind Avenue Southwest
Renton, Washington 98055

Department of Revenue Taxpayer Assistance

1-800-647-7706

Field Office Locations



<http://dor.wa.gov>

To inquire about the availability of this document in an alternate format for
the visually impaired, please call (360) 753-3217. Teletype (TTY) users
please call 1-800-451-7985.



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